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CITE FBIS/LONDON 52783

TO: FBIS.

SHIFT DISTURBANCE PAY

REF: FBIS/LONDON 51629

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FOLLOWING IS TEXT OF DEPT'S RESPONSE TO EMBASSY RECOMMENDA-TION RE SHIFT DISTURBANCE PAY:

"REFS: (A) LONDON 14148 (B) LONDON 23706 (C) 1981 FULL SURVEY

- "1. BASED ON THE INFO CONTAINED IN THE ABOVE REFERENCES, POST IS ADVISED TO DRAFT A SHIFT DIFFERENTIAL PAY PLAN ACCORDING TO SPECIFICATIONS IN PARA 2 AND SUBMIT SAME TO DEPARTMENT FOR REVIEW AND APPROVAL.
- "2. IN ACCORDANCE WITH PREVAILING PRACTICE, DRAFT SHIFT PAY PLAN SHOULD REFLECT THE FOLLOWING PROVISIONS:
  - A. THE RATE FOR SHIFT PAY IS 25 PERCENT OF BASIC SALARY; B. SHIFT PAY WILL BE PAID FOR ALL HOURS OF EACH SHIFT WORKED:
  - C. SHIFT IS DEFINED: ANY REGULARLY-SCHEDULED WORK DAY OF EIGHT HOURS, THREE HOURS OR MORE OF WHICH ARE OUTSIDE NORMAL WORKING HOURS:
  - D. NORMAL WORKING HOURS ARE DEFINED AS Ø8ØØ-18ØØ HOURS.
- "3. PLEASE FORWARD DRAFT SHIFT DIFFERENTIAL PAY PLAN DIRECTLY TO PER/FSN WITH COPY TO EUR/EX."

2. OUR OBJECTIONS TO THE ABOVE, WHICH LED TO EMBASSY RECOM-MENDING THAT WE CONTINUE WITH THE PRESENT SDP POLICY WITHOUT ALTERATION, WERE AS FOLLOWS: (A) THE ABOVE ELEMENTS WERE NOT A TRUE REFLECTION OF LOCAL PAY PRACTICE RE SDP AS THERE WERE NO

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PAGE 2 FBIS/LONDON 52783 C O N F I D E N T I A L SINGLE ELEMENTS COMMON TO ALL SDP SYSTEMS USED BY THE COMPANIES IN THE SURVEY; (B) ESTABLISHMENT OF A NEW SDP POLICY BY THE EMBASSY WOULD CREATE A NEW VARIANT OF LOCAL PRACTICE WHICH IS UNNECESSARY CONSIDERING OUR PRESENT SYSTEM IS SATISFACTORY AND MORE IN LINE WITH U.S. GOVT PRACTICE FOR PAYMENT OF NIGHT DIFFERENTIAL; (C) AS THE EMBASSY IS A "LOCAL EMPLOYER," IT SHOULD HAVE THE RIGHT TO DETERMINE AND MAINTAIN ITS OWN SDP POLICY. THE EMBASSY EVENTUALLY AGREED WITH OUR RATIONALE AND AGREED TO RECOMMEND MAINTENANCE OF OUR PRESENT POLICY TO PAY 33 PERCENT FOR ACTUAL HOURS WORKED VERSUS PAYING 25 PERCENT FOR ALL HOURS WORKED.

- 3. THE DEPARTMENT'S POSITION WOULD INVOLVE ABOUT A 3 PERCENT REDUCTION IN ANNUAL PAY FOR OUR BIGGEST GROUP OF SHIFT WORKERS. I WOULD THEREFORE PREFER TO CONTINUE OUR PRESENT SYSTEM AS AN EXCEPTION, BUT THERE ARE OTHER OPTIONS WHICH MAY BE PREFERABLE:
- (A) GO WITH THE EMBASSY SYSTEM BUT TIME INAUGURATION TO COINCIDE WITH THE NEXT ANNUAL ADJUSTMENT IN PAY, SEEING TO IT THAT THE NET RESULT IS EQUITABLE.
- (B) DROP OUR SDP TO 30 PERCENT OF PAY FOR ACTUAL HOURS WORKED AS A NOD TOWARD THE STATE DEPARTMENT'S POSITION BUT NOT CONFORMING TO IT.
- 4. WE WILL FORWARD COPY OF EMBASSY'S CABLE REFERRED TO IN PARAGRAPH TWO. I THINK IT MAKES VERY CLEAR THAT WE ARE SIMPLY TOSSING NUMBERS IN THE AIR. THERE IS NO COMMON PRACTICE. I THINK WE CAN GO ANYWAY WE LIKE, WITHIN REASON, AND WOULD APPRECIATE PMCD'S VIEWS ON THIS.
- 5. AS OF THIS MOMENT, THE EMBASSY IS STILL DRAFTING A REPLY TO THE DEPARTMENT ON THE SDP ISSUE, AS WELL AS THE ISSUE OF COMPENSATION FOR HOLIDAY WORK.

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